

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE ISSUANCE AND ESTABLISHING PARAMETERS
FOR THE SALE OF NOT TO EXCEED
\$7,640,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2016B

WHEREAS, the City of Milton, Rock County, Wisconsin (the "City") is presently in need of the following amounts for the following public purposes: \$715,000 for providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental Districts; \$410,000 for financing library projects (collectively, the "Project"); and \$6,515,000 for refunding certain obligations of the City;

WHEREAS, the obligations to be refunded are (a) the 2019 through 2027 maturities of the General Obligation Corporate Purpose Bonds, dated March 27, 2007 (the "2007A Bonds"), (b) the 2018 through 2026 maturities of the General Obligation Corporate Purpose Bonds, dated December 20, 2007 (the "2007B Bonds") and (c) the General Obligation Promissory Notes dated April 1, 2015 (the "2015 Notes") (the 2007A Bonds, the 2007B Bonds, and 2015 Notes will be collectively referred to as the "Refunded Obligations") (the refunding of the Refunded Obligations shall be referred to herein as the "Refunding");

WHEREAS, cities are authorized by the provisions of Section 67.04, Wisconsin Statutes, to borrow money and issue general obligation bonds for such public purposes;

WHEREAS, the Common Council deems it necessary and in the best interest of the City to borrow the monies needed for such purposes through the issuance of a single issue of general obligation bonds (the "Bonds") pursuant to the provisions of Section 67.04, Wis. Stats., upon satisfaction of the terms and conditions hereinafter provided;

WHEREAS, the City has directed Ehlers & Associates, Inc. ("Ehlers") to take the steps necessary for the City to offer and sell the Bonds at public sale and to obtain bids for the purchase of the Bonds; and

WHEREAS, in order to facilitate the sale of the Bonds in a timely manner, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City to delegate to either the City Administrator or the Finance Director/Treasurer of the City (individually, the "Authorized Officer") the authority to accept on behalf of the City the bid for the Bonds that results in the lowest true interest cost for the Bonds (the "Proposal") so long as the Proposal meets the terms and conditions set forth in this Resolution by executing a certificate in substantially the form attached hereto as Exhibit A and incorporated herein by this reference (the "Approving Certificate").

NOW, THEREFORE, BE IT:

RESOLVED, that the City borrow an amount not to exceed \$715,000 by issuing general obligation bonds for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental Districts; and be it further

RESOLVED, that the City borrow an amount not to exceed \$410,000 by issuing general obligation bonds for the public purpose of financing library projects; and be it further

RESOLVED, that the City borrow an amount not to exceed \$6,515,000 by issuing general obligation bonds for the public purpose of refinancing obligations of the City, including interest on them; and be it further

RESOLVED, that:

Section 1A. Notice to Electors. The City Clerk shall, within fifteen (15) days hereafter, cause public notice of the adoption of the above resolutions authorizing general obligation bonds to finance the Project to be given to the electors of the City by publishing a notice thereof in the official City newspaper as a class 1 notice under Chapter 985, Wisconsin Statutes, such notice to be in substantially the form set forth on Exhibit B hereto.

Section 1B. Authorization and Sale of the Bonds; Parameters. For the purpose of paying the cost of the Project and the Refunding, the City is authorized to borrow pursuant to Section 67.04, Wisconsin Statutes, the principal sum of not to exceed SEVEN MILLION SIX HUNDRED FORTY THOUSAND DOLLARS (\$7,640,000) upon the terms and subject to the conditions set forth in this Resolution. Subject to satisfaction of the conditions set forth in Section 16 of this Resolution, the Authorized Officer is hereby authorized, empowered and directed to make, execute, issue and sell to the financial institution that submitted the Proposal (the "Purchaser") for, on behalf of and in the name of the City, Bonds aggregating the principal amount of not to exceed SEVEN MILLION SIX HUNDRED FORTY THOUSAND DOLLARS (\$7,640,000). The purchase price to be paid to the City for the Bonds shall not be less than 98.9% nor more than 106% of the principal amount of the Bonds.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Corporate Purpose Bonds, Series 2016B"; shall be issued in the aggregate principal amount of up to \$7,640,000; shall be dated as of their date of issuance; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and mature or be subject to mandatory redemption on the dates and in the principal amounts set forth below, provided that the principal amount of each maturity or mandatory redemption amount may be increased or decreased by up to \$100,000 per maturity or mandatory redemption amount and that the aggregate principal amount of the Bonds shall not exceed \$7,640,000. The schedule below assumes the Bonds are issued in the aggregate principal amount of \$7,640,000.

<u>Date</u>	<u>Amount</u>
02/01/2017	\$225,000
02/01/2018	505,000
02/01/2019	800,000
02/01/2020	825,000
02/01/2021	845,000
02/01/2022	855,000
02/01/2023	850,000
02/01/2024	870,000

<u>Date</u>	<u>Amount</u>
02/01/2025	\$870,000
02/01/2026	750,000
02/01/2027	245,000

Interest shall be payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2017. The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) will not exceed 2.50%. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

The issuance of the Bonds for the Refunding is subject to the Refunding producing present value debt service savings of at least 5.00% of the principal refunded as a result of the Refunding (the "Savings Test"). The Savings Test shall be calculated based on the terms of the Proposal for the Bonds maturing or having mandatory redemption payments due in the years and in the amounts shown on Exhibit C attached hereto and incorporated herein by this reference (the "Refunding Bonds"). If the amount of Bonds required for the Refunding is less than \$6,515,000, for purposes of applying the Savings Test, the amount of Refunding Bonds maturing or being subject to mandatory redemption in each year shall be increased or reduced in increments of \$5,000 so that the total amount of Refunding Bonds is equal to the amount needed for the Refunding, and the changes to the maturity and mandatory redemption schedule for the Refunding Bonds shall be set forth in the Approving Certificate.

Section 3. Redemption Provisions. The Bonds maturing on February 1, 2024 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on February 1, 2023 or on any date thereafter. Said Bonds shall be redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot, at the principal amount thereof, plus accrued interest to the date of redemption. If the Proposal specifies that certain of the Bonds are subject to mandatory redemption, the terms of such mandatory redemption shall be set forth on an attachment to the Approving Certificate labeled as Exhibit MRP. Upon the optional redemption of any of the Bonds subject to mandatory redemption, the principal amount of such Bonds so redeemed shall be credited against the mandatory redemption payments established in the Approving Certificate for such Bonds in such manner as the City shall direct.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit D and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2016 through 2026 for the payments due in the years 2017 through 2027.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Corporate Purpose Bonds, Series 2016B" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. The City Treasurer shall deposit in the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted

Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. In order to accomplish the refunding of the 2007A Bonds and the 2007B Bonds, a portion of the Bond Proceeds shall be transferred to the Escrow Account, as provided in Section 21 hereof. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purposes shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Bonds or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying

that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 12. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by Bond Trust Services Corporation, Roseville, Minnesota, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The Fiscal Agency Agreement between the City and the Fiscal Agent shall be substantially in the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 13. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 14. Record Date. The fifteenth day of each calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations previously executed on behalf of the City and on file in the City Clerk's office.

Section 16. Conditions on Issuance and Sale of the Bonds. The issuance of the Bonds and the sale of the Bonds to the Purchaser are subject to satisfaction of the following conditions:

(a) expiration of the petition period provided for under Section 67.05(7)(b), Wis. Stats., without the filing of a sufficient petition for a referendum with respect to the initial resolutions authorizing the issuance of the Bonds to finance the Project;

(b) approval by the Authorized Officer of the principal amount, definitive maturities, redemption provisions, interest rates and purchase price for the Bonds, which approval shall be evidenced by execution by the Authorized Officer of the Approving Certificate. If the principal amount of the Bonds to be issued is less than \$7,640,000, the Approving Certificate shall also specify the principal amount of the Bonds to be issued for each of the purposes described in the resolutions authorizing the issuance of the Bonds; and

(c) the Savings Test described in Section 2 above is met with respect to the Refunded Obligations to be refunded.

The Bonds shall not be issued, sold or delivered until these conditions are satisfied. Upon satisfaction of these conditions, the Authorized Officer is authorized to execute a Proposal with the Purchaser providing for the sale of the Bonds to the Purchaser. The Bonds shall not be delivered until this approval is obtained and the referendum petition period expires as provided in (a) above.

Section 17. Payment of Issuance Expenses. The City authorizes the Purchaser to forward the amount of the proceeds of the Bonds allocable to the payment of issuance expenses to the Escrow Agent or to KleinBank, Chaska, Minnesota at Closing for further distribution as directed by Ehlers.

Section 18. Official Statement. The Common Council hereby directs the Authorized Officer to approve the Preliminary Official Statement with respect to the Bonds and deem the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by the Authorized Officer or other officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda to be distributed to the Purchaser.

Section 19. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 20. Redemption of the 2015 Notes. Subject to the sale of the Bonds, the 2015 Notes are hereby called for prior payment and redemption on September 30, 2016 or such other date as determined by the Authorized Officer in the Approving Certificate at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk after final approval to work with Ehlers to cause timely notice of redemption. All actions heretofore taken by the officers and agents of the City to effectuate the redemption of the 2015 Notes are hereby ratified and approved.

Section 21. Escrow Agent; Escrow Agreement; Escrow Account. For the purpose of ensuring the payment of the principal of and interest on the 2007A Bonds and the 2007B Bonds, an escrow agent (the "Escrow Agent"), to be named in the Approving Certificate, is hereby appointed.

The Mayor and City Clerk are hereby authorized and directed to execute an escrow agreement substantially in the form attached hereto as Exhibit F (the "Escrow Agreement") (such form may be modified by said officers prior to execution, the execution of such agreement by

said officers to constitute full approval of the Common Council of any such modifications), with the Escrow Agent, for the purpose of effectuating the provisions of this Resolution.

The Bond Proceeds allocable to refunding the 2007A Bonds and the 2007B Bonds, other than any premium not used for the Refunding and accrued interest which shall be deposited in the Debt Service Fund Account created above, shall be deposited in a refunding escrow account which is hereby created with the Escrow Agent, pursuant to the Escrow Agreement, for the purpose of retaining the required amount of cash, if any, and acquiring the United States obligations provided for in the Escrow Agreement.

Upon transfer of the Bond Proceeds and any other necessary funds allocable to refunding the 2007A Bonds and the 2007B Bonds to the Escrow Account, the taxes heretofore levied to pay debt service on the 2007A Bonds and the 2007B Bonds shall be abated to the extent such transfer together with investment earnings thereon is sufficient to pay the principal of and interest on the 2007A Bonds and the 2007B Bonds, but such abatement shall not affect the City's pledge of its full faith, credit and resources to make such payments. The refunding escrow account created by the Escrow Agreement shall hereinafter serve as the debt service (or sinking) fund account for the 2007A Bonds and the 2007B Bonds. The Escrow Agent shall serve as custodian of said debt service (or sinking) funds.

Section 22. SLGS Subscriptions. The Escrow Agent and Ehlers are authorized to submit subscriptions for United States Treasury Securities - State and Local Government Series and to purchase other U.S. government securities on behalf of the City in such amount as is necessary in order to carry out the refunding of the 2007A Bonds and the 2007B Bonds.

Section 23. Redemption of the 2007A Bonds. The 2007A Bonds are hereby called for prior payment and redemption on March 1, 2017 at a price of par plus accrued interest to the date of redemption subject to final approval by the Authorized Officer as evidenced by the execution of the Approving Certificate.

The City hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "2007A Notice"), to be provided at the times, to the parties and in the manner set forth on the 2007A Notice.

Section 24. Redemption of the 2007B Bonds. The 2007B Bonds are hereby called for prior payment and redemption on April 1, 2017 at a price of par plus accrued interest to the date of redemption subject to final approval by the Authorized Officer as evidenced by the execution of the Approving Certificate.

The City hereby directs the Escrow Agent appointed above to cause timely notice of redemption, in substantially the form attached to the Escrow Agreement (the "2007B Notice"), to be provided at the times, to the parties and in the manner set forth on the 2007B Notice.

Section 25. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 26. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 27. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded July 19, 2016.

Annisa Welch
Mayor

ATTEST:

Elena Hilby
City Clerk

(SEAL)

EXHIBIT A
APPROVING CERTIFICATE

(See Attached)

CERTIFICATE APPROVING THE PRELIMINARY OFFICIAL STATEMENT
AND DETAILS OF
GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2016B

I, [Al Hulick, City Administrator][Daniel Nelson, Finance Director/Treasurer] of the City of Milton, Rock County, Wisconsin (the "City"), hereby certify that:

1. Resolution. On July 19, 2016, the Common Council of the City adopted a resolution (the "Resolution") authorizing the issuance and establishing parameters for the sale of not to exceed \$7,640,000 General Obligation Corporate Purpose Bonds, Series 2016B of the City (the "Bonds") after a public sale and delegating to me the authority to approve the Preliminary Official Statement, to approve the purchase proposal for the Bonds, and to determine the details for the Bonds within the parameters established by the Resolution.

2. Preliminary Official Statement. The Preliminary Official Statement with respect to the Bonds is hereby approved and deemed "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934.

3. Proposal; Terms of the Bonds. On the date hereof, the Bonds were offered for public sale and _____ (the "Purchaser") offered to purchase the Bonds in accordance with the terms set forth in the Proposal attached hereto as Schedule I and incorporated herein by this reference (the "Proposal"). Ehlers & Associates, Inc. recommends the City accept the Proposal. The Proposal meets the parameters and conditions established by the Resolution and is hereby approved and accepted.

The Bonds shall be issued in the aggregate principal amount of \$ _____, which is not more than the \$7,640,000 approved by the Resolution, and shall mature on February 1 of each of the years and in the amounts and shall bear interest at the rates per annum as set forth in the Pricing Summary attached hereto as Schedule II and incorporated herein by this reference. The amount of each annual principal or mandatory redemption payment due on the Bonds is not more than \$100,000 more or less per maturity or mandatory redemption amount than the schedule included in the Resolution as set forth below:

<u>Date</u>	<u>Resolution Schedule</u>	<u>Actual Amount</u>
02/01/2017	\$225,000	\$ _____
02/01/2018	505,000	_____
02/01/2019	800,000	_____
02/01/2020	825,000	_____
02/01/2021	845,000	_____
02/01/2022	855,000	_____
02/01/2023	850,000	_____
02/01/2024	870,000	_____
02/01/2025	870,000	_____
02/01/2026	750,000	_____
02/01/2027	245,000	_____

The true interest cost on the Bonds (computed taking the Purchaser's compensation into account) is _____%, which is not in excess of 2.50%, as required by the Resolution. The present value debt service savings achieved by the Refunding is \$_____ or _____% of the principal amount refunded, which is at least 5.00% of the principal amount refunded as required by the Resolution. [The amount of Refunding Bonds (as defined in the Resolution) has been reduced to \$_____ and the amounts maturing and subject to mandatory redemption are described in Schedule III attached hereto and incorporated herein by this reference.]

4. Purchase Price of the Bonds. The Bonds shall be sold to the Purchaser in accordance with the terms of the Proposal at a price of \$_____, plus accrued interest, if any, to the date of delivery of the Bonds which is not less than 98.90% nor more than 106.00% of the principal amount of the Bonds as required by the Resolution.

[5. Mandatory Redemption Provisions of the Bonds. The Proposal specifies that [some of] the Bonds are subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference.

6. Purpose of the Bonds. The Bonds are issued for the following public purposes in the following amounts: \$_____ for providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Tax Incremental Districts; \$_____ for financing library projects; and \$_____ for refunding obligations of the City.]

7. Escrow Agent. Pursuant to Section 21 of the Resolution, _____ is named escrow agent for the Bonds.

8. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same respectively falls due, the full faith, credit and taxing powers of the City have been irrevocably pledged and there has been levied on all of the taxable property in the City, pursuant to the Resolution, a direct, annual irrepealable tax in an amount and at the times sufficient for said purpose. Such tax shall be for the years and in the amounts set forth on the debt service schedule attached hereto as [Schedule III].

9. Approval. This Certificate constitutes my approval of the Proposal, and the definitive maturities, interest rates, purchase price and redemption provisions for the Bonds and the direct annual irrepealable tax levy to repay the Bonds, in satisfaction of the parameters set forth in the Resolution.

IN WITNESS WHEREOF, I have executed this Certificate on _____, 2016 pursuant to the authority delegated to me in the Resolution.

COPY

[Al Hulick, City Administrator]

[Daniel Nelson, Finance
Director/Treasurer]

SCHEDULE I TO APPROVING CERTIFICATE

Proposal

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE II TO APPROVING CERTIFICATE

Pricing Summary

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

SCHEDULE III TO APPROVING CERTIFICATE
Debt Service Schedule and Irrepealable Tax Levies

To be provided by Ehlers & Associates, Inc. and incorporated into the Certificate.

(See Attached)

[EXHIBIT MRP]

Mandatory Redemption Provision

The Bonds due on February 1, ____, ____, ____ and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on February 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on February 1, ____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on February 1, ____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on February 1, ____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)

For the Term Bonds Maturing on February 1, ____

<u>Redemption Date</u>	<u>Amount</u>
_____	\$ _____
_____	_____
_____	_____ (maturity)]

EXHIBIT B

CITY OF MILTON

NOTICE TO ELECTORS RELATING TO BOND ISSUE

NOTICE IS HEREBY GIVEN, that on July 19, 2016, at a meeting of the Common Council of the City of Milton, the following initial resolutions were adopted and recorded pursuant to Section 67.05(1), Wisconsin Statutes:

A resolution authorizing the City to borrow an amount not to exceed \$715,000 by issuing general obligation bonds for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs of the City's Tax Incremental Districts; and

A resolution authorizing the City to borrow an amount not to exceed \$410,000 by issuing general obligation bonds for the public purpose of financing library projects.

The Wisconsin Statutes (s. 67.05(7)(b)) provide that the initial resolutions need not be submitted to the electors unless within 30 days after adoption of the initial resolutions a petition is filed in the City Clerk's office requesting a referendum. This petition must be signed by electors numbering at least 10% of the votes cast for governor in the City at the last general election. A petition may be filed with respect to any one or more of the initial resolutions.

City of Milton

Elena Hilby
City Clerk

EXHIBIT C

REFUNDING BONDS

For purposes of calculating the Savings Test, the Bonds maturing in the amounts and on the dates set forth below shall be considered the Refunding Bonds.

<u>Date</u>	<u>Amount</u>
02/01/17	\$ 225,000
02/01/18	505,000
02/01/19	525,000
02/01/20	550,000
02/01/21	560,000
02/01/22	710,000
02/01/23	705,000
02/01/24	870,000
02/01/25	870,000
02/01/26	750,000
02/01/27	<u>245,000</u>
Total	<u>\$6,515,000</u>

EXHIBIT D

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA
STATE OF WISCONSIN DOLLARS
ROCK COUNTY
NO. R- CITY OF MILTON \$
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2016B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:

February 1, _____, 2016 _____%

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Milton, Rock County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on February 1 and August 1 of each year commencing on February 1, 2017 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by Bond Trust Services Corporation, Roseville, Minnesota (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding the semi-annual interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$_____, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the following public purposes: \$_____ for community development projects in the City's Tax Incremental Districts; \$_____ for library projects; and \$_____ to refund certain outstanding obligations of the City, all as authorized by a resolution of the Common Council duly adopted by said governing body at a meeting held on July 19, 2016, as supplemented by a Certificate Approving the Preliminary Official Statement and Details of General Obligation Corporate Purpose Bonds, Series 2016B, dated _____ (collectively, the "Resolution"). Said Resolution is recorded in the official minutes of the Common Council for said date.

The Bonds maturing on February 1, 2024 and thereafter are subject to redemption prior to maturity, at the option of the City, on February 1, 2023 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City and within each maturity, by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

[The Bonds maturing in the years _____, _____ and _____ are subject to mandatory redemption by lot as provided in the Resolution referenced above at the redemption price of par plus accrued interest to the date of redemption and without premium.]

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual

irrepealable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Bond shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Milton, Rock County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF MILTON,
ROCK COUNTY, WISCONSIN

COPY

By: _____

Annisa Welch
Mayor

(SEAL)

By: _____

Elena Hilby
City Clerk

Date of Authentication: _____, _____

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue authorized by the within-mentioned resolution of the City of Milton, Wisconsin.

BOND TRUST SERVICES
CORPORATION,
ROSEVILLE, MINNESOTA

By _____
Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

COPY

(e.g. Bank, Trust Company
or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

EXHIBIT E
FISCAL AGENCY AGREEMENT

(See Attached)

FISCAL AGENCY AGREEMENT

THIS AGREEMENT, made as of the 9th day of September, 2016 between the City of Milton, Wisconsin ("Municipality"), and Bond Trust Services Corporation, Roseville, Minnesota, a wholly owned subsidiary of Ehlers & Associates, Inc. ("Bank" or "Fiscal Agent"), a corporation duly organized and existing as a limited purpose trust company under the laws of the State of Minnesota, Section 48A.03 and authorized by the Department of Financial Institutions of the State of Wisconsin to operate in Wisconsin pursuant to Wisconsin Statutes Section 223.12.

WITNESSETH:

WHEREAS, the Municipality has duly authorized the issuance of its \$7,640,000 General Obligation Corporate Purpose Bonds, Series 2016B, dated September 9, 2016 (the "Obligations") pursuant to the applicable provisions of the Wisconsin Statutes and the resolution adopted by the Municipality on July 19, 2016, as supplemented by a Certificate Approving the Preliminary Official Statement and Details of General Obligation Corporate Purpose Bonds, Series 2016B, dated _____, 2016 (collectively, the "Resolution"); and

WHEREAS, the Municipality is issuing the Obligations in registered form pursuant to Section 149 of the Internal Revenue Code of 1986, as amended, and applicable Treasury Regulations promulgated thereunder; and

WHEREAS, pursuant to the Resolution and Section 67.10(2), Wisconsin Statutes the Municipality has authorized the appointment of the Fiscal Agent as agent for the Municipality for any or all of the following responsibilities: payment of principal and interest on, registering, transferring and authenticating the Obligations as well as other applicable responsibilities permitted by Section 67.10(2), Wisconsin Statutes.

NOW, THEREFORE, the Municipality and the Fiscal Agent hereby agree as follows:

I. APPOINTMENT

The Fiscal Agent is hereby appointed agent for the Municipality with respect to the Obligations for the purpose of performing such of the responsibilities stated in Section 67.10(2), Wisconsin Statutes, as are delegated herein or as may be otherwise specifically delegated in writing to the Fiscal Agent by the Municipality.

II. INVESTMENT RESPONSIBILITY

The Fiscal Agent shall not be under any obligation to invest funds held for the payment of interest or principal on the Obligations.

III. PAYMENTS

At least one business day before each interest payment date (commencing with the interest payment date of February 1, 2017 and continuing thereafter until the principal of and interest on the Obligations should have been fully paid or prepaid in accordance with their terms) the Municipality shall pay to the Fiscal Agent, in good funds immediately available to the Fiscal

Agent on the interest payment date, a sum equal to the amount payable as principal of, premium, if any, and interest on the Obligations on such interest payment date. Said interest and/or principal payment dates and amounts are outlined on Schedule A which is attached hereto and incorporated herein by this reference.

IV. CANCELLATION

In every case of the surrender of any Obligation for the purpose of payment, the Fiscal Agent shall cancel and destroy the same and deliver to the Municipality a certificate regarding such cancellation. The Fiscal Agent shall be permitted to microfilm or otherwise photocopy and record said Obligations.

V. REGISTRATION BOOK

The Fiscal Agent shall maintain in the name of the Municipality a Registration Book containing the names and addresses of all owners of the Obligations and the following information as to each Obligation: its number, date, purpose, amount, rate of interest and when payable. The Fiscal Agent shall keep confidential said information in accordance with applicable banking and governmental regulations.

VI. INTEREST PAYMENT

Payment of each installment of interest on each Obligation shall be made to the registered owner of such Obligation whose name shall appear on the Registration Book at the close of business on the 15th day of the calendar month next preceding the interest payment date and shall be paid by check or draft of the Fiscal Agent mailed to such registered owner at his address as it appears in such Registration Book or at such other address as may be furnished in writing by such registered owner to the Fiscal Agent.

VII. PAYMENT OF PRINCIPAL AND NOTICE OF REDEMPTION

(a) Principal Payments. Principal shall be paid to the registered owner of an Obligation upon surrender of the Obligation on or after its maturity or redemption date.

[The Obligations due on February 1, 20__ and February 1, 20__ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from deposits which are required to be made in amounts sufficient to redeem on February 1 of each year the respective amount of Term Bonds specified on the attached Schedule MRP.

The Municipality hereby directs and the Fiscal Agent hereby agrees to select the Term Bonds to be redeemed on the dates set forth above and to give notice of such redemption as set forth in substantially the form attached hereto as Schedule B by registered or certified mail, facsimile transmission, overnight express delivery, electronic transmission or in any other manner required by The Depository Trust Company at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Obligation

selected to be redeemed, in whole or in part, at the address shown on the registration books as of the Record Date.

The Municipality, in accordance with Section III hereof, shall make payments sufficient for the Fiscal Agent to pay the amounts due on the Term Bonds subject to mandatory redemption.】

(b) Official Notice of Redemption. In the event the Municipality exercises its option to redeem any of the Obligations, the Municipality shall, at least 35 days prior to the redemption date, direct the Fiscal Agent to give official notice of such redemption by sending an official notice thereof by registered or certified mail, facsimile transmission, overnight express delivery, electronic transmission or in any other manner required by The Depository Trust Company at least 30 days but not more than 60 days prior to the date fixed for redemption to the registered owner of each Obligation to be redeemed in whole or in part at the address shown in the Registration Book. Such official notice of redemption shall be dated and shall state (i) the redemption date and price; (ii) an identification of the Obligations to be redeemed, including the date of original issue of the Obligations; (iii) that on the redemption date the redemption price will become due and payable upon each such Obligation or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (iv) the place where such Obligations are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Fiscal Agent. 【Official notice of the redemption of Obligations subject to mandatory redemption shall be given in the same manner.】

(c) Additional Notice of Redemption. In addition to the official notice of redemption provided in (b) above, further notice of any redemption shall be given by the Fiscal Agent on behalf of the Municipality to the Municipal Securities Rulemaking Board and The Depository Trust Company of New York, New York but neither a defect in this additional notice nor any failure to give all or any portion of such additional notice shall in any manner defeat the effectiveness of a call for redemption.

Each further notice of redemption given hereunder shall be sent at least 30 days before the redemption date by registered or certified mail, overnight delivery service, facsimile transmission or email transmission and shall contain the information required above for an official notice of redemption.

(d) Redemption of Obligations. The Obligations to be redeemed 【at the option of the Municipality】 shall be selected by the Municipality and, within any maturity, shall be selected by lot by the Depository described in Section VIII hereof. 【Obligations subject to mandatory redemption shall be selected as described in (a) above.】 The Obligations or portions of Obligations to be redeemed shall, on the redemption dates, become due and payable at the redemption price therein specified, and from and after such date such Obligations or portions of Obligations shall cease to bear interest. Upon surrender of such Obligations for redemption in accordance with the official notice of redemption, such Obligations shall be paid by the Fiscal Agent at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial

redemption of any Obligation, there shall be prepared for the registered owner a new Obligation or Obligations of the same maturity in the amount of the unpaid principal. Each check or other transfer of funds issued in payment of the redemption price of Obligations being redeemed shall bear the CUSIP number identifying, by issue and maturity, the Obligations being redeemed with the proceeds of such check or other transfer.

VIII. UTILIZATION OF THE DEPOSITORY TRUST COMPANY

The Depository Trust Company's Book-Entry-Only System is to be utilized for the Obligations. The Fiscal Agent, as agent for the Municipality, agrees to comply with the provisions of The Depository Trust Company's Operational Arrangements, as they may be amended from time to time referenced in the Blanket Issuer Letter of Representations executed by the Municipality. The provisions of the Operational Arrangements and this Section VIII supersede and control any and all representations in this Agreement.

IX. OBLIGATION TRANSFER AND EXCHANGE

The Fiscal Agent shall transfer Obligations upon presentation of a written assignment duly executed by the registered owner or by such owner's duly authorized representative. Upon such a transfer, new registered Obligation(s) of the same maturity, in authorized denomination or denominations in the same aggregate principal amount for each maturity shall be issued to the transferee in exchange therefor, and the name of such transferee shall be entered as the new registered owner in the Registration Book. No Obligation may be registered to bearer. The Fiscal Agent may exchange Obligations of the issue for a like aggregate principal amount of Obligations of the same maturity in authorized whole multiples of \$5,000.

The Obligations shall be numbered R-1 and upward. Upon any transfer or exchange, the Obligation or Obligations issued shall bear the next highest consecutive unused number or numbers.

The Municipality shall cooperate in any such transfer, and the appropriate officers of the Municipality are authorized to execute any new Obligation or Obligations necessary to effect any such transfer.

X. AUTHENTICATION, IF REQUIRED

The Fiscal Agent shall sign and date the Certificate of Authentication, if any, on each Obligation on the date of delivery, transfer or exchange of such Obligation. The Fiscal Agent shall distribute and/or retain for safekeeping the Obligations in accordance with the direction of the registered owners thereof.

XI. STATEMENTS

The Fiscal Agent shall furnish the Municipality with an accounting of interest and funds upon reasonable request.

XII. FEES

The Municipality agrees to pay the Fiscal Agent fees for its services hereunder in the amounts set forth on Schedule [B/C] hereto.

XIII. MISCELLANEOUS

(a) Nonpresentment of Checks. In the event the check or draft mailed by the Fiscal Agent to the registered owner is not presented for payment within five years of its date, then the monies representing such nonpayment shall be returned to the Municipality or to such board, officer or body as may then be entitled by law to receive the same together with the name of the registered owner of the Obligation and the last mailing address of record and the Fiscal Agent shall no longer be responsible for the same.

(b) Resignation and Removal; Successor Fiscal Agent. (i) Fiscal Agent may at any time resign by giving not less than 60 days written notice to Municipality. Upon receiving such notice of resignation, Municipality shall promptly appoint a successor fiscal agent by an instrument in writing executed by order of its governing body. If no successor fiscal agent shall have been so appointed and have accepted appointment within 60 days after such notice of resignation, the resigning fiscal agent may petition any court of competent jurisdiction for the appointment of a successor fiscal agent. Such court may thereupon, after such notice, if any, as it may deem proper and prescribes, appoint a successor fiscal agent. The resignation of the fiscal agent shall take effect only upon appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(ii) The Fiscal Agent may also be removed by the Municipality at any time upon not less than 60 days' written notice. Such removal shall take effect upon the appointment of a successor fiscal agent and such successor fiscal agent's acceptance of such appointment.

(iii) Any successor fiscal agent shall execute, acknowledge and deliver to Municipality and to its predecessor fiscal agent an instrument accepting such appointment hereunder, and thereupon the resignation or removal of the predecessor fiscal agent shall become effective and such successor fiscal agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts, duties and obligations of its predecessor, with like effect as if originally named as fiscal agent herein; but nevertheless, on written request of Municipality, or on the request of the successor, the fiscal agent ceasing to act shall execute and deliver an instrument transferring to such successor fiscal agent, all the rights, powers, and trusts of the fiscal agent so ceasing to act. Upon the request of any such successor fiscal agent, Municipality shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor fiscal agent all such rights, powers and duties. Any predecessor fiscal agent shall pay over to its successor fiscal agent any funds of the Municipality.

(iv) Any corporation, association or agency into which the Fiscal Agent may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor fiscal agent under this Agreement and vested with all the trusts, powers, discretions, immunities and privileges and all other matters as

was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

(v) Any successor fiscal agent shall be qualified pursuant to Sec. 67.10(2), Wisconsin Statutes, as amended.

(c) Termination. This Agreement shall terminate on the earlier of (i) the payment in full of all of the principal and interest on the Obligations to the registered owners of the Obligations or (ii) five years after (aa) the last principal payment on the Obligations is due (whether by maturity or earlier redemption) or (bb) the Municipality's responsibilities for payment of the Obligations are fully discharged, whichever is later. The parties realize that any funds hereunder as shall remain upon termination shall, except as may otherwise by law, be turned over to the Municipality after deduction of any unpaid fees and disbursements of Fiscal Agent or, if required by law, to such officer, board or body as may then be entitled by law to receive the same. Termination of this Agreement shall not, of itself, have any effect on Municipality's obligation to pay the outstanding Obligations in full in accordance with the terms thereof.

(d) Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Agreement, being duly authorized so to do, each in the manner most appropriate to it, on the date first above written.

CITY OF MILTON, ROCK COUNTY,
WISCONSIN

By _____
Annisa Welch
Mayor

(SEAL)

Elena Hilby
City Clerk

BOND TRUST SERVICES
CORPORATION, ROSEVILLE,
MINNESOTA
Fiscal Agent

(SEAL)

By _____
Paying Agent Administrator

Attest _____
Paying Agent Administrator

SCHEDULE A

Debt Service Schedule
\$7,640,000 General Obligation Corporate Purpose Bonds, Series 2016B
of the City of Milton, Wisconsin
dated September 9, 2016

(SEE ATTACHED)

COPY

[SCHEDULE MRP

Mandatory Redemption Provision

The Obligations due on February 1, ____, ____, ____ and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on February 1 of each year the respective amount of Term Bonds specified below:

For the Term Bonds Maturing on February 1, ____

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)
____	____

For the Term Bonds Maturing on February 1, ____

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)
____	____

For the Term Bonds Maturing on February 1, ____

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)
____	____

For the Term Bonds Maturing on February 1, ____

<u>Redemption</u> <u>Date</u>	<u>Amount</u>
____	\$ ____
____	____ (maturity)]
____	____

[SCHEDULE B

NOTICE OF MANDATORY SINKING FUND REDEMPTION*

City of Milton, Wisconsin
General Obligation Corporate Purpose Bonds, Series 2016B
Dated September 9, 2016

NOTICE IS HEREBY GIVEN that a portion of the Bonds of the above-referenced issue which mature on February 1, 20__ shall be subject to mandatory sinking fund redemption on February 1 of the year set forth below, in the amount set forth below, at a redemption price equal to One Hundred Percent (100%) of the principal amount redeemed plus accrued interest to the date of redemption.

<u>Redemption Date</u>	<u>Principal Amount</u>	<u>CUSIP Number</u>
February 1, ____	\$ ____	_____

Such portion of the Bonds will cease to bear interest on the redemption date set forth above.

BY THE ORDER OF THE
COMMON COUNCIL

CITY OF MILTON, WISCONSIN

Dated: _____

* To be provided by registered or certified mail, facsimile transmission, overnight express delivery, electronic transmission or in any other manner required by The Depository Trust Company, to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to the call date. At least thirty (30) days prior to the call date notice shall also be filed electronically with the Municipal Securities Rulemaking Board through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.]

SCHEDULE [B/C]

(SEE ATTACHED)

EXHIBIT F
ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made and entered into the 9th day of September, 2016 by and between the City of Milton, Wisconsin (the "City") and _____, _____, a national banking association with trust powers (the "Escrow Agent").

RECITALS

The City has duly issued General Obligation Corporate Purpose Bonds, dated March 27, 2007 (the "2007A Bonds") and General Obligation Corporate Purpose Bonds, dated December 20, 2007 (the "2007B Bonds") (collectively, the 2007A Bonds and the 2007B Bonds shall be referred to herein as the "Prior Issues").

The City has duly authorized and sold and is delivering this day its \$7,640,000 General Obligation Corporate Purpose Bonds, Series 2016B, dated September 9, 2016 (the "Refunding Obligations") for the purpose of providing funds sufficient to refund the 2019 through 2027 maturities of the 2007A Bonds and the 2018 through 2026 maturities of the 2007B Bonds (collectively, hereinafter the portion of the Prior Issues being refunded shall be referred to herein as the "Refunded Obligations") (the "Refunding").

The Refunded Obligations mature and bear interest on the dates and in the amounts shown on Exhibit A-1 through Exhibit A-2, respectively.

In order to accomplish the Refunding, it is necessary to irrevocably deposit in trust an amount (in the form of investment securities and cash) which, together with investment income therefrom, will be sufficient to pay when due the principal of and interest on the Refunded Obligations.

To accomplish the Refunding, the Escrow Agent has been appointed depository of a portion of the proceeds of the Refunding Obligations (in the form of investment securities and cash) as hereinafter specified and has been appointed custodian of the City's debt service fund account for the Refunded Obligations until the Refunded Obligations are paid in full.

The execution of this Agreement has been duly authorized by a resolution of the Common Council entitled: "Resolution Authorizing the Issuance and Establishing Parameters for the Sale of Not to Exceed \$7,640,000 General Obligation Corporate Purpose Bonds, Series 2016B" adopted by the Common Council of the City on July 19, 2016 as supplemented by a Certificate Approving the Preliminary Official Statement and Details of General Obligation Corporate Purpose Bonds, Series 2016B, dated _____, 2016 (collectively, the "Resolution").

In consideration of the mutual covenants contained herein, the parties hereto covenant and agree as follows for the equal and proportionate benefit and security of the holders of the Refunding Obligations and the Refunded Obligations:

1. Escrow Deposit. Concurrently with the execution of this Agreement, the City has irrevocably deposited with the Escrow Agent, receipt of which is hereby acknowledged by the Escrow Agent, \$ _____ being a portion of the proceeds of the Refunding Obligations [(the "Bond Proceeds") and \$ _____ from funds of the City (the "Funds") for a total of \$ _____.]

The foregoing, along with earnings and interest thereon, shall be held and disposed of by the Escrow Agent only in accordance with this Agreement. The City represents and warrants that the foregoing, if held, invested and disposed of by the Escrow Agent in accordance with this Agreement, will be sufficient, without the need for any further investment or reinvestment, to make all payments required under this Agreement. The Escrow Agent has not and is under no obligation to determine whether the amounts deposited hereunder are or will be sufficient to make all of the payments directed to be made hereunder.

2. Acceptance of Escrow. The Escrow Agent acknowledges receipt of the escrow deposit hereunder and accepts the responsibilities imposed on it by this Agreement.

3. Application of Escrow Deposit. There is hereby created by the City and ordered established with the Escrow Agent an account hereby designated, "City of Milton Escrow Account" (the "Escrow Account").

The Escrow Agent shall deposit the amount described above in the Escrow Account to be used as follows:

a) \$ _____ to be used to purchase the United States Treasury Certificates of Indebtedness, Notes and/or Bonds - State and Local Government Series ("SLGs"), described on the attached Exhibit B-1, pay for the SLGs from monies in the Escrow Account and hold the SLGs in the Escrow Account; [(\$ _____ from Bond Proceeds and \$ _____ from Funds);]

b) \$ _____ to be used to establish a beginning cash balance in the Escrow Account [(\$ _____ from Bond Proceeds and \$ _____ from Funds)]; and

c) \$ _____ to be used to pay the Issuance Expenses set forth on the attached Exhibit C-1, which the Escrow Agent is hereby authorized to pay [as outlined in the Closing Memorandum].

Except as set forth in Section 8 hereof, the Escrow Account (other than the cash held pursuant to subsection (b) above) shall remain invested in the SLGs, and the Escrow Agent shall not sell or otherwise dispose of the SLGs.

[The Escrow Agent is hereby directed to pay the issuance expenses set forth on the attached Exhibit C-1 upon receipt of invoices for the authorized amounts listed on Exhibit C-1.]

[In addition to the foregoing, the Escrow Agent is hereby directed to reinvest excess investment proceeds accruing in the years _____ to _____ in SLGs as follows:

<u>Amount</u>	<u>Interest Rate</u>	<u>Reinvestment Date</u>	<u>Maturity Date</u>
\$ _____	0.00%	_____	_____
_____	0.00	_____	_____

The Escrow Agent is hereby directed to submit the subscription for these SLGs on behalf of the City, at least seven (7) days in advance of the date of reinvestment (or such other period of time in advance of the date of reinvestment as is then required by law or regulation) and such subscription shall be in accordance with then applicable law and regulations. The City will cooperate with the Escrow Agent as necessary to allow any subscriptions to be made as described herein.

If SLGs with an interest rate of 0.00% are not available at the time such Escrow Account monies are to be reinvested, the Escrow Agent is hereby directed to reinvest such Escrow Account monies on behalf of the City in direct obligations of the United States of America ("U.S. Government Obligations"), or hold such monies uninvested, as directed by the City, upon the Escrow Agent's receipt, at the expense of the City, of (i) an opinion of the bond counsel for the Refunding Obligations or other nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such transaction would not cause any of the Refunded Obligations or any of the Refunding Obligations to be an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), and the income tax regulations thereunder (the "Regulations") and (ii) a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. Government Obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purposes, be sufficient at all times to pay, when due, the principal of and interest on the Refunded Obligations.]

The Escrow Account cash flow [(taking into account any reinvestments)] prepared by the Accountant defined below is set forth on Exhibit D-1.

Except [for the foregoing or] as set forth in Section 8 hereof, no reinvestment of amounts on deposit in the Escrow Account shall be permitted.

The Escrow Agent shall apply the monies in the Escrow Account to the payment of the 2007A Bonds in the amounts set forth on the attached Exhibit A-1 by depositing such amounts with the fiscal agent for the 2007A Bonds and to the payment of the 2007B Bonds in the amounts set forth on the attached Exhibit A-2 by depositing such amounts with The Depository Trust Company or any successor depository or registered owner on or before the dates set forth on the attached Exhibit A-1 and Exhibit A-2 setting forth the dates such amounts are due.

Barthe & Wahrman, PA, a firm of independent accountants (the "Accountant"), has delivered to the City, the Escrow Agent, Ehlers & Associates, Inc., any bond insurer for the

Refunding Obligations, any bond insurer for the Refunded Obligations, and Quarles & Brady LLP, for their purposes, a report stating that the firm has reviewed the arithmetical accuracy of certain computations based on assumptions relating to the sufficiency of forecasted net cash flow from the United States government securities (paragraph (a) above) and any initial cash deposit (paragraph (b) above) to pay the principal of and interest (if any) on the Refunded Obligations when due as described on Exhibit A-1 through Exhibit A-2. Based upon the summarized data presented in its report and the assumption that the principal and interest payments on the United States government securities are deposited in the Escrow Account when due, in its opinion, the proceeds from the United States government securities, plus any initial cash deposit will be sufficient for the timely payment of principal and interest, when due, on the Refunded Obligations.

If at any time it shall appear to the Escrow Agent that the money in the Escrow Account will not be sufficient to make any required payments due to the holders of the Refunded Obligations, the Escrow Agent shall immediately notify the City. Upon receipt of such notice, the City shall forthwith transmit to the Escrow Agent for deposit in the Escrow Account from legally available funds such additional monies as may be required to make any such payment.

4. Redemption of the Refunded Obligations. Pursuant to the Resolution, the City has heretofore called the Refunded Obligations for redemption and authorized and directed the Escrow Agent to give notice of said intended redemption of the Refunded Obligations by providing notice (in substantially the forms attached hereto as Exhibit E-1 through Exhibit E-2) in the manner and at the times set forth on Exhibit E-1 through Exhibit E-2, and the Escrow Agent hereby agrees to give such notice.

5. Notice of Advance Refunding of the Refunded Obligations. The Escrow Agent is hereby directed and agrees within ten business days after the closing for the Refunding Obligations to provide a Notice of Advance Refunding and Redemption, in substantially the forms attached hereto as Exhibit F-1 through F-2, to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations, and to any others as described in Exhibit F-1 through F-2.

6. The Escrow Agent.

a) Annual Report. The Escrow Agent shall, in the month of February of each year while this Agreement is in effect, and as soon as practicable after termination of this Agreement, forward by first class mail to the City a report of the receipts, income, investments, reinvestments, redemptions and payments of and from the Escrow Account during the preceding calendar year, including in such report a statement, as of the end of the preceding calendar year, regarding the manner in which it has carried out the requirements of this Agreement. The City shall have the right, at any time during business hours, subject to reasonable regulations established by the Escrow Agent, to examine all of the Escrow Agent's records regarding the status and details of the Escrow Account.

b) Separate Funds; Accountability. Except as otherwise permitted under Section 3 hereof, the Escrow Agent shall keep all monies, securities and other properties deposited hereunder, all investments and all interest thereon and profits therefrom, at all times in a special

fund and separate trust account, wholly segregated from all other funds and securities on deposit with it; shall never commingle such deposits, investments and proceeds with other funds or securities of the Escrow Agent; and shall never at any time use, pledge, loan or borrow the same in any way. The fund established hereunder shall be held separately and distinctly and not commingled with any other such fund. Nothing herein contained shall be construed as requiring the Escrow Agent to keep the identical monies, or any part thereof, received from or for the Escrow Account, on hand, but monies of an equal amount shall always be maintained on hand as funds held by the Escrow Agent, belonging to the City, and a special account thereof, evidencing such fact, shall at all times be maintained on the books of the Escrow Agent. All uninvested money held at any time in the Escrow Account shall be continuously secured [by the deposit in a Federal Reserve Bank or direct obligations of the United States of America in a principal amount always not less than the total amount of uninvested money in the Escrow Account.] [by any collateral that satisfies the provisions of 12CFR part 9, Section 9.10(b)(2).] It is understood and agreed that the responsibility of the Escrow Agent under this Agreement is limited to the safekeeping and segregation of the monies and securities deposited with it for the Escrow Account, and the collection of and accounting for the principal and interest payable with respect thereto.

In the event the Escrow Agent due to any action or inaction required hereunder is unable or fails to account for any property held hereunder, such property shall be and remain the property of the City. Property held by the Escrow Agent hereunder shall not be deemed to be a banking deposit of the City to the extent that the Escrow Agent shall have no right or title with respect thereto (including any right of set-off) and the City shall have no right of withdrawal thereof.

c) Liability. The Escrow Agent shall be under no obligation to inquire into or be in any way responsible for the performance or nonperformance by the City or any paying [fiscal] agent of any of its obligations, or to protect any of the City's rights under any bond proceeding or any of the City's other contracts with or franchises or privileges from any state, county, municipality or other governmental agency or with any person. The Escrow Agent shall not be liable for any act done or step taken or omitted by it, as escrow agent, or for any mistake of fact or law, or for anything which it may do or refrain from doing in good faith and in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Agreement, except for its negligence or its willful misconduct. The Escrow Agent shall not be responsible in any manner whatsoever for the recitals or statements contained herein, including without limitation those as to the sufficiency of the trust deposit to accomplish the purposes hereof or in the Refunded Obligations or the Refunding Obligations or in any proceedings taken in connection therewith, but they are made solely by the City. [The Escrow Agent shall not be required to risk, use or advance its own funds or otherwise incur financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.]

d) Resignations; Successor Escrow Agent. The Escrow Agent may at any time resign by giving not less than 60 days written notice to the City. Upon giving such notice of resignation, the resigning Escrow Agent may petition any court of competent jurisdiction for the appointment of a successor escrow agent. Such court may thereupon, after such notice, if any, as

it may deem proper and prescribes, appoint a successor escrow agent of comparable qualifications to those of the resigning Escrow Agent. The resignation of the Escrow Agent shall take effect only upon the appointment of a successor escrow agent and such successor escrow agent's acceptance of such appointment.

Any successor escrow agent shall be a state or national bank, have full banking and trust powers, and have a combined capital and surplus of at least \$5,000,000.

Any successor escrow agent shall execute, acknowledge and deliver to the City and to its predecessor escrow agent an instrument accepting such appointment hereunder, and thereupon the resignation of the predecessor escrow agent shall become effective and such successor escrow agent, without any further act, deed or conveyance, shall become vested with all the rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named as escrow agent herein; but nevertheless, on written request of the City or on the request of the successor escrow agent, the escrow agent ceasing to act shall execute and deliver an instrument transferring to such successor escrow agent, upon the terms herein expressed, all the rights, power, and duties of the escrow agent so ceasing to act. Upon the request of any such successor escrow agent, the City shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor escrow agent all such rights, powers and duties. Any predecessor escrow agent shall pay over to its successor escrow agent a proportional part of the Escrow Agent's fee hereunder.

e) Fees. The Escrow Agent acknowledges receipt from the City of the sum of _____ DOLLARS (\$_____) as and for full compensation for all services to be performed by it as the Escrow Agent under this Agreement. Any out-of-pocket expenses including legal fees and publication costs will be paid by the City as incurred. The Escrow Agent expressly waives any lien upon or claim against the monies and investments in the Escrow Account.

7. Arbitrage. The City has covenanted and agreed [and the Escrow Agent hereby covenants and agrees,] to the extent any action is within its control and to its knowledge, to and for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, that no investment of the monies on deposit in the Escrow Account will be made in a manner that would cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the [Code or any Regulations promulgated or proposed thereunder.] [Internal Revenue Code of 1986, as amended (the "Code") or any Regulations promulgated or proposed thereunder (the "Regulations").] [The Escrow Agent covenants and agrees to only invest as directed.]

In order to ensure continuing compliance with Section 148 of the Code and the Regulations, the Escrow Agent agrees that it will not invest the cash balance nor reinvest any cash received in payment of the principal of and interest on the federal securities held in the Escrow Account nor redeem such federal securities except as specifically provided in Sections 3 and 8 hereof. Said prohibition on reinvestment shall continue unless and until the City requests

that such reinvestment be made and shall be restricted to noncallable direct obligations of the United States Treasury. Prior to any such request for reinvestment of the proceeds from the federal securities held in the Escrow Account, the City shall provide to the Escrow Agent: (i) an opinion by an independent certified public accounting firm that after such reinvestment the principal amount of the substituted securities, together with the earnings thereon and other available monies, will be sufficient to pay, as the same become due, all principal of, redemption premium where required, and interest on the Refunded Obligations which have not then previously been paid, and (ii) an unqualified opinion of nationally recognized bond counsel to the effect that (a) such reinvestment will not cause the Refunding Obligations or the Refunded Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations in effect thereunder on the date of such reinvestment, and (b) such reinvestment complies with the Constitution and laws of the State of Wisconsin and the provisions of all relevant documents relating to the issuance of the Refunding Obligations and the Refunded Obligations.

8. Substitute Investments. At the written request of the City and upon compliance with the conditions hereinafter stated, the Escrow Agent shall have the power to request the redemption of the SLGs and to substitute direct obligations of, or obligations which are unconditionally guaranteed by, the United States of America, which are not subject to redemption prior to maturity and which are available for purchase with the proceeds derived from the disposition of the SLGs on the date of such transaction. The Escrow Agent shall purchase such substitute obligations with the proceeds derived from the sale, transfer, disposition or redemption of the SLGs. The transactions may be effected only by simultaneous sale and purchase transactions, and only if (i) the amounts and dates on which the anticipated transfers from the Escrow Account to the fiscal agent or depository for the payment of the principal of and interest on the Refunded Obligations will not be diminished or postponed thereby, (ii) the Escrow Agent shall receive, at the expense of the City, an opinion of a nationally recognized firm of attorneys experienced in the area of municipal finance to the effect that such disposition and substitution would not cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder; and (iii) the Escrow Agent shall receive, at the expense of the City, a certification from an independent certified public accountant that, after such transaction, the principal of and interest on the U.S. government obligations in the Escrow Account will, together with other monies in the Escrow Account available for such purpose, be sufficient at all times to pay, when due, the principal of, redemption premium, where required, and interest on the Refunded Obligations.

The City hereby covenants that no part of the monies or funds at any time in the Escrow Account shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause any Refunded Obligations or Refunding Obligations to be "arbitrage bonds" within the meaning of Section 148 of the Code and the Regulations thereunder.

9. Escrow Agent Covenants. Notwithstanding any provision contained herein to the contrary, the Escrow Agent, including its officers, directors, employees and agents, shall:

a) have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken by Escrow Agent either in accordance

with the advice of such counsel or in accordance with any opinion of counsel to the City addressed and delivered to the Escrow Agent;

b) be protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of independent counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons; and

c) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees, and shall not be responsible for the misconduct or negligence of such agents, attorneys, custodians and nominees appointed by it with due care.

Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.]

[9 OR 10]. Miscellaneous.

a) Third Party Beneficiaries. This Agreement has been entered into by the City and the Escrow Agent for the benefit of the holders of the Refunding Obligations and the Refunded Obligations, and is not revocable by the City or the Escrow Agent, and the investments and other funds deposited in the Escrow Account and all income therefrom have been irrevocably appropriated for the payment and any redemption of the Refunded Obligations and interest thereon when due, in accordance with this Agreement. This Agreement shall be binding upon and shall inure to the benefit of the City and the Escrow Agent and their respective successors and assigns. In addition, this Agreement shall constitute a third party beneficiary contract for the benefit of the owners of the Refunding Obligations and the Refunded Obligations. Said third party beneficiaries shall be entitled to enforce performance and observance by the City and the Escrow Agent of the respective agreements and covenants herein contained as fully and completely as if said third party beneficiaries were parties hereto.

b) Severability. If any section, paragraph, clause or provision of this Agreement shall be invalid or ineffective for any reason, the remainder of this Agreement shall remain in full force and effect, it being expressly hereby agreed that the remainder of this Agreement would have been entered into by the parties hereto notwithstanding any such invalidity.

c) Termination. This Agreement shall terminate upon the payment of all of the principal of and interest on the Refunded Obligations. The parties realize that some of the amounts hereunder may remain upon termination. Any amounts remaining upon termination shall be returned to the City for deposit in the account designated "Debt Service Fund Account for General Obligation Corporate Purpose Bonds, Series 2016B, dated _____, 2016" created by the Resolution and used solely to pay the principal of and interest on the Refunding

Obligations. Termination of this Agreement shall not, of itself, have any effect on the City's obligation to pay the Refunding Obligations and the Refunded Obligations in full in accordance with the respective terms thereof.

d) Indemnification. The City agrees to hold the Escrow Agent harmless and to indemnify the Escrow Agent against any loss, liability, expenses (including attorney's fees and expenses), claims, or demand arising out of or in connection with the performance of its obligations in accordance with the provisions of this Agreement, except for gross negligence or willful misconduct of the Escrow Agent. The foregoing indemnities in this paragraph shall survive the resignation or removal of the Escrow Agent or the termination of the Agreement.

e) Governing Law. This Escrow Agreement shall be construed, interpreted and governed by and under the laws of the State of Wisconsin.

f) Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or when mailed by certified or registered mail, postage prepaid addressed as follows:

If to the City:

City of Milton
Attention: City Clerk
710 South Janesville Street
Milton, WI 53563

If to the Escrow Agent:

Zions Bank, a division of ZB, National Association
111 West Washington Street
Suite 1860
Chicago, IL 60602

Any party may by like notice at any time, and from time to time, designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received when mailed.

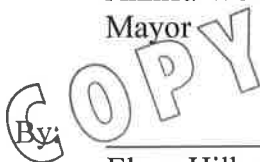
The Escrow Agent agrees to accept and act upon instructions or directions pursuant to the Escrow Agreement sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that, the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing.]

f) [g] Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the date first above written.

CITY OF MILTON,
ROCK COUNTY, WISCONSIN

By: _____
Annisa Welch
Mayor


By: _____
Elena Hilby
City Clerk

as Escrow Agent

By: _____

(SEAL)

And: _____

[Security Advice Waiver:

The City acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the City the right to receive brokerage confirmations of the security transactions as they occur, the City specifically waives receipt of such confirmations to the extent permitted by law. The Escrow Agent will furnish the City with periodic cash transaction statements that include the detail for all investment transactions made by the Escrow Agent for all current and future accounts.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT: To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a Trust or other legal entity we will ask for documentation to verify its formation and existence as a legal entity. We may ask to see financial statements, licenses, and identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.]

(Refunded Obligations)

EXHIBIT A-1

City of Milton, Wisconsin
General Obligation Corporate Purpose Bonds
Dated March 27, 2007

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

(See Attached)

COPY

* To be called for prior payment at 100% on March 1, 2017.

Bond Registrar
or Fiscal Agent:

Bond Trust Services Corporation, Roseville, Minnesota

(Refunded Obligations)

EXHIBIT A-2

City of Milton, Wisconsin
General Obligation Corporate Purpose Bonds
Dated December 20, 2007

Debt Service Requirements

<u>Payment Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Interest Amount</u>	<u>Total Principal and Interest</u>
-------------------------	-----------------------------	--------------------------	----------------------------	---

(See Attached)

COPY

* To be called for prior payment at 100% on April 1, 2017.

Depository: The Depository Trust Company
New York, New York

EXHIBIT B-1

U.S. TREASURY SECURITIES

(State and Local Government Series)

For Delivery September 9, 2016

<u>Type</u>	<u>Maturity Date</u>	<u>Par Amount</u>	<u>Coupon Rate</u>	<u>Cost</u>
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COPY

(See Attached Subscription Forms)

EXHIBIT C-1

AUTHORIZED ISSUANCE EXPENSES

Escrow Agent,

\$ _____

Escrow Verification,

Barthe & Wahrman, PA, Minneapolis, Minnesota

Legal Opinion,

Quarles & Brady LLP, Milwaukee, Wisconsin

Rating Fee,

Moody's Investors Service Inc.,
New York, New York

Financial Advisor,

Ehlers & Associates, Inc.

Fiscal Agent,

Bond Trust Services Corporation, Roseville, Minnesota

Total:

\$ _____

COPY

EXHIBIT D-1

ESCROW ACCOUNT CASH FLOW

(SEE ATTACHED)

COPY

EXHIBIT E-1

NOTICE OF FULL CALL*

CITY OF MILTON
ROCK COUNTY, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
DATED MARCH 27, 2007

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called for prior payment on March 1, 2017 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
03/01/19	\$490,000	4.00%	602187HU3
03/01/21	540,000	4.00	602187HW9
03/01/23	585,000	4.00	602187HY5
03/01/25	635,000	4.00	602187JA5
03/01/27	665,000	4.00	602187JC1

Upon presentation and surrender of said Bonds to Bond Trust Services Corporation, Roseville, Minnesota, the registrar and fiscal agent for said Bonds, the registered owners thereof will be paid the principal amount of the Bonds plus accrued interest to the date of prepayment.

Said Bonds will cease to bear interest on March 1, 2017.

By Order of the
Common Council
City of Milton
City Clerk

Dated _____

* To be provided to Bond Trust Services Corporation at least thirty-five (35) days prior to March 1, 2017. The registrar and fiscal agent shall be directed to give notice of such prepayment by registered or certified mail, overnight express delivery, facsimile transmission, or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days prior to March 1, 2017 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org. Notice shall also be provided to CIFG Assurance North America, Inc., or any successor, the bond insurer of the Bonds.

EXHIBIT E-2

NOTICE OF FULL CALL*

Regarding

CITY OF MILTON
ROCK COUNTY, WISCONSIN
GENERAL OBLIGATION CORPORATE PURPOSE BONDS
DATED DECEMBER 20, 2007

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on April 1, 2017 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
04/01/18	\$155,000	4.00%	602187JP2
04/01/19	160,000	4.00	602187JQ0
04/01/20	180,000	4.00	602187JR8
04/01/21	235,000	4.00	602187JS6
04/01/22	260,000	4.00	602187JT4
04/01/23	265,000	4.00	602187JU1
04/01/24	445,000	4.00	602187JV9
04/01/25	495,000	4.00	602187JW7
04/01/26	550,000	4.00	602187JX5

The City's Escrow Agent shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before April 1, 2017.

Said Bonds will cease to bear interest on April 1, 2017.

By Order of the
Common Council
City of Milton
City Clerk

Dated _____

* To be provided by registered or certified mail, overnight express delivery, facsimile transmission, or electronic transmission to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days prior to April 1, 2017 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

EXHIBIT F-1*

NOTICE OF ADVANCE REFUNDING AND REDEMPTION
OF THE GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED MARCH 27, 2007
OF THE CITY OF MILTON, WISCONSIN (THE "BONDS")

Notice is given that the Bonds described below (the "Refunded Obligations"), of the City of Milton, Wisconsin (the "City") have been advance refunded by the City pursuant to an Escrow Agreement dated the 9th day of September, 2016 between the City and _____, _____ (the "Escrow Agent").

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
03/01/19	\$490,000	4.00%	602187HU3**
03/01/21	540,000	4.00	602187HW9**
03/01/23	585,000	4.00	602187HY5**
03/01/25	635,000	4.00	602187JA5**
03/01/27	665,000	4.00	602187JC1**

The City has instructed the Escrow Agent to call the Refunded Obligations for redemption on March 1, 2017. The City has irrevocably deposited United States government securities and cash in escrow with the Escrow Agent in an amount which, together with investment income on it, is sufficient to pay the interest on the Refunded Obligations up to and including March 1, 2017 and to redeem the Refunded Obligations on March 1, 2017 at a price of par plus accrued interest to March 1, 2017. Interest on the Refunded Obligations will cease to accrue on March 1, 2017.

Dated: September 9, 2016.

as Escrow Agent

* Within ten business days after the closing for the Refunding Obligations, notice shall be provided to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org. Notice shall also be provided to CIFG Assurance North America, Inc., or any successor, the bond insurer of the Bonds.

** Indicates refunding of full CUSIP.

EXHIBIT F-2*

NOTICE OF ADVANCE REFUNDING AND REDEMPTION
OF THE GENERAL OBLIGATION CORPORATE PURPOSE BONDS, DATED DECEMBER 20, 2007
OF THE CITY OF MILTON, WISCONSIN (THE "BONDS")

Notice is given that the Bonds described below (the "Refunded Obligations"), of the City of Milton, Wisconsin (the "City") have been advance refunded by the City pursuant to an Escrow Agreement dated the 9th day of September, 2016 between the City and _____, _____ (the "Escrow Agent").

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
04/01/18	\$155,000	4.00%	602187JP2**
04/01/19	160,000	4.00	602187JQ0**
04/01/20	180,000	4.00	602187JR8**
04/01/21	235,000	4.00	602187JS6**
04/01/22	260,000	4.00	602187JT4**
04/01/23	265,000	4.00	602187JU1**
04/01/24	445,000	4.00	602187JV9**
04/01/25	495,000	4.00	602187JW7**
04/01/26	550,000	4.00	602187JX5**

The City has instructed the Escrow Agent to call the Refunded Obligations for redemption on April 1, 2017. The City has irrevocably deposited United States government securities and cash in escrow with the Escrow Agent in an amount which, together with investment income on it, is sufficient to pay the interest on the Refunded Obligations up to and including April 1, 2017 and to redeem the Refunded Obligations on April 1, 2017 at a price of par plus accrued interest to April 1, 2017. Interest on the Refunded Obligations will cease to accrue on April 1, 2017.

Dated: September 9, 2016.

as Escrow Agent

* Within ten business days after the closing for the Refunding Obligations, notice shall be provided to the registered owners of the Refunded Obligations, to any fiscal agent for the Refunded Obligations and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

** Indicates refunding of full CUSIP.